

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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USDA Vegetable Committee Seeks More Basic Research

More of the total research effort of the USDA should be for basic investigations, according to the Department's Vegetable Research and Marketing Advisory Committee.

At its annual meeting, in Washington, D.C., February 6-9, the committee also urged that increased effort be put into vegetable research.

Basic studies to develop improved weed control in vegetables and vegetable seed crops is the top need in USDA farm research, the committee said. Reduction of labor costs, and advances in mechanized vegetable production would be possible with safe, effective herbicides, the committee indicated.

Expanded research on insects affecting vegetables, and development of improved techniques and machines for harvesting and handling vegetables also were cited as high priority needs.

In utilization research the committee assigned top priority to studies that would lead to improved processing methods for canned vegetables. Basic and applied research on the cause of heat resistance, use of antibiotics or other chemicals, and high temperature-short time procedures were all regarded as high priority needs.

Other important utilization research work, according to the committee, includes development of improved processed products, and basic studies of the chemical composition and physical properties of vegetables.

Marketing research needs assigned high priority by the committee include expanded basic studies on the post-harvest physiology and compositional changes in vegetables, development of improved pallet containers, and work on postharvest diseases.

Improved information on vegetable supplies and improved grade standards for vegetables are the most important needs in the field of marketing services supplied to industry by USDA, the committee said.

The committee's detailed recommendations for vegetable research to

be undertaken by USDA will be submitted formally to the Department, and copies of this report will be available from the committee's executive secretary, Dr. Roy Magruder, Office of the Administrator, Agricultural Research Service, USDA, Washington 25, D.C.

Members of the committee include G. C. Scott, vice president in charge of production for the Green Giant Co., Le Sueur, Minn.; F. M. Smith, vice president and general manager of the Stayton Canning Co. Cooperative, Stayton, Ore.; and F. Ridgely Todd, agricultural director, Dulany Foods, Inc., Fruitland, Md.

USDA Research Group Urges Improved Harvesting Methods

Development of mechanical methods for harvesting the highly valuable citrus and vegetable crops of the United States is needed to reduce production costs, the USDA's Farm Equipment and Structures Research Advisory Committee said at its annual meeting February 1-3.

About 200 million boxes of citrus fruit are harvested and handled annually at an estimated cost of \$50 million, and there are few mechanical aids to do the work. Labor for picking constitutes one of the major citrus production costs.

In regard to vegetables, the committee said that basic engineering and plant breeding research is needed to permit mechanization of the vegetable harvest under varying soil and climatic conditions.

Research to develop improved pest control equipment and methods of pesticide application also was cited as a high priority need. Failure of some recommended pesticides to result in satisfactory control in some areas suggests the need for improvements in methods of application, it was said. Also, basic studies on the factors affecting pesticide deposition efficiency should be strengthened.

Copies of the committee's report will be available from the committee's executive secretary, Dr. Carleton P. Barnes, Office of the Administrator, Agricultural Research Service, USDA, Washington 25, D. C.

Bills Introduced To Extend Date on Food Additives

Secretary Arthur Flemming of the Department of Health, Education, and Welfare transmitted to Congress on January 18 a draft bill "to amend the transitional provisions of the" Food Additives Amendment of 1958. The principal purpose of the draft bill would be to authorize the Food and Drug Administration to extend the effective date of the Food Additives Amendment beyond the March 6, 1961, deadline with regard to food additives in commercial use before January 1, 1958.

In his letter to Congress, Secretary Flemming said that further postponement of the effective date of the Amendment beyond the present March 6 deadline is necessary in order to permit the completion of scientific investigations needed as a basis for determining the extent to which particular substances should be permitted to be used, and under what conditions. He pointed out that the lengthy and complicated tests necessary before final action can be taken on presently used food additives cannot possibly be completed prior to the March 6 date, and that further extension of this deadline would involve no hazard to public health.

Secretary Ribicoff announced his support of the proposal on February 16.

On February 7 Representative Harris introduced H.R. 3980 embodying the provisions of the Secretary's draft bill. An identical bill, S. 947, was introduced by Senator Hill on February 13. If enacted, the legislation would impose several limitations on the FDA's authority to grant extensions of the effective date of the Food Additives Amendment. The FDA would be authorized to grant a further extension with regard to a food additive only if the following conditions are met:

1. The food additive in question must have been granted an extension, under the present Act, to March 6, 1961;

2. The Secretary must make the findings presently required by the Act that the extension involves no undue

risk to the public health and that conditions exist which necessitate the prescribing of an additional delay;

3. The Secretary must find that bona fide action to determine the applicability of the Food Additives Amendment, or to develop the scientific data necessary for action under the Amendment, was commenced before March 6, 1960, and was thereafter pursued with reasonable diligence; and

4. The Secretary must find that the further extension is consistent with the objective of carrying to completion in good faith, as soon as reasonably practicable, the scientific investigations necessary as a basis for action under the Amendment.

Legislative Proposals in the 87th Congress

Following is a brief description of certain bills which have been introduced in the 87th Congress and which may be of interest to canners:

Antitrust laws: S. 11 (Kefauver) would amend the Clayton Act, as amended by the Robinson-Patman Act, with reference to "equality of opportunity." Referred to the Senate Committee on the Judiciary. H.R. 3563 (Patman) would amend the Clayton Act to require prior notification of corporate mergers and acquisitions. Referred to the House Judiciary Committee. H.R. 4008 (Roosevelt) would amend the Federal Trade Commission Act to provide for the issuance of temporary cease and desist orders to prevent certain acts and practices pending completion of FTC proceedings. Referred to the House Committee on Interstate and Foreign Commerce.

Factory inspection: A draft bill to amend the Food and Drug Act so as to "clarify and strengthen existing inspection authority thereunder" was sent to the Congress on January 17 by HEW Secretary Flemming. This proposal has not yet been endorsed by Secretary Ribicoff or introduced in the Congress. H.R. 1235 (Sullivan) would enlarge the factory inspection authority of the FDA. Referred to the House Committee on Interstate and Foreign Commerce.

Farm labor: H.R. 2010 (Gathings) would extend the Mexican farm labor program until December 31, 1965. Referred to the manpower subcommittee of the House Agriculture Committee. H.R. 362 (Green) and H.R. 3663 (Holland) would provide federal payments to help improve educational opportunities for children of migrant farm workers. Referred to the House Committee on Education and Labor. H.R. 185 (Walter) and H.R. 3664 (Holland), omnibus farm labor bills, would establish a minimum wage for

farm labor, require federal licensing of crew leaders, and provide federal funds to the states to help improve the health, education, housing, transportation, and working conditions of migrant families.

Fishery products: H.R. 615 (Anfuso) would reapportion the funds available under the Saltonstall-Kennedy Act. Referred to the House Committee on Merchant Marine and Fisheries. H.R. 657 (Colmer) would impose an ad valorem duty of 35 percent on all imports of shrimp in any form. H.R. 573 (Thompson) and other identical bills would establish quotas for the importation of shrimp and shrimp products, impose a duty on unprocessed shrimp imported in excess of those quotas, and impose a duty on processed shrimp as well as prohibit its importation in excess of established quotas. Both bills have been referred to the House Committee on Ways and Means.

Food additives: S. 947 (Hill) and H.R. 3980 (Harris) would permit the Secretary of HEW, under certain conditions, to extend further the final effective date of the Food Additives Amendment of 1958 beyond March 6, 1961. Referred to the Senate Committee on Labor and Public Welfare and the House Committee on Interstate and Foreign Commerce, respectively (see story, page 103).

Food stamps: S. 23 (Aiken) would establish national minimum standards of nutrition and authorize the issuance of coupons, redeemable for certain foods, to families which fall below the minimum. Referred to the Senate Agriculture Committee.

H.R. 892 (Anfuso) would establish a national food stamp plan and distribute \$1 billion of surplus food commodities each year to needy persons and families in the U. S. Referred to the House Agriculture Committee.

Foreign tax credit: S. 749 (Gore) would repeal the foreign tax credit and include a pro rata share of the income of foreign corporations in the gross income of taxpayers owning, directly or indirectly, 10 percent or more of the voting stock of such foreign corporations. Referred to the Senate Finance Committee.

Marketing programs: H.R. 159 (Sisk) would authorize federal marketing programs for turkeys and turkey products. H.R. 1106 (Ullman) would authorize marketing orders for chickens, turkeys, Irish potatoes, and onions. Both bills have been referred to the House Agriculture Committee.

Reorganization Act: S. 153 (McCiellan), would amend the Reorganization Act of 1949 so that it would apply to reorganization plans transmitted to the Congress before June 1, 1963. Passed by the Senate Feb. 6 and referred to the House Committee on Government Operations.

Sugar Act: H.R. 3738 (Cooley) would extend the Sugar Act until Dec. 31, 1962. Referred to the House Agriculture Committee.

Tariffs and trade: H.R. 3962 (Dent) would apply tariffs to imported commodities so as to equalize the wage differential between domestic and foreign industries. H.R. 689 (Lane) would establish an import quota system for all imported items. H.R. 2484 (Herlong) would require all imported articles and containers, when repackaged, to be identified as to their countries of origin. All three bills have been referred to the House Ways and Means Committee. H.R. 1149 (Dent) would require advertisements of imported articles to identify their countries of origin. Referred to House Committee on Interstate and Foreign Commerce.

H.R. 4125 (Kilgore) would amend the Agricultural Marketing Agreements Act of 1937, as amended, so as to extend its restrictions on imported commodities to imported onions, lettuce, and carrots. Referred to the House Agriculture Committee.

S. 613 (Hruska) and H.R. 3452 (Martin) would impose an additional 25 percent ad valorem duty on excess imports of "beef, veal, pork, mutton and lamb, whether fresh, chilled, frozen, prepared, preserved, or canned, except offal and canned corn beef." Referred to the Senate Finance Committee and the House Ways and Means Committee.

Taxation of interstate commerce: H.R. 4363 (Willis) would require the Congress to make a study of "all matters pertaining to the taxation of interstate commerce" by the states, territories, and possessions of the U. S., the District of Columbia, Puerto Rico, or their political or taxing subdivisions. Referred to the House Judiciary Committee.

Wage and hour: S. 895 (McNamara) and H.R. 3935 (Roosevelt) would increase the minimum hourly wage to \$1.25 in three stages and would curtail canners' exemptions from the overtime pay requirements of the Fair Labor Standards Act. Referred to the Senate and House Labor Committees. S. 256 (Dirksen) would increase the minimum wage to \$1.10 and would not affect present canning exemptions. Referred to the Senate Committee on Labor and Public Welfare. H.R. 225 (Hiestand) would eliminate conflicts between the Fair Labor Standards Act, the Walsh-Healey Act, and other statutes covering firms which do business with the federal government. Referred to the House Committee on Education and Labor.

H.R. 3578 (Roosevelt) would reduce the maximum workweek under the Fair Labor Standards Act to 35 hours. Referred to the House Committee on Education and Labor.

Water pollution: S. 861 (Humphrey) and H.R. 4036 (Blatnik) would establish a Federal Water Pollution Control Administration within the Department of Health, Education, and Welfare. Referred to the Senate and House Committees on Public Works.

Wholesale Distributor Stocks of Canned Foods

including Warehouses of Retail Multiunit Organizations
(Bureau of the Census, U. S. Department of Commerce)

	Jan. 1, 1960		Jan. 1, 1961		Size	Size
	Can- ners	Distrib- utors	Can- ners	Distrib- utors	No. 10 or larger	smaller than No. 10
(thousands of actual cases)						
Vegetables:						
Asparagus.....	2,509	721	2,706	692	78	614
Beans, green and wax.....	16,181	2,863	16,271	2,933	742	2,191
Beans, lima.....	1,544	551	1,817	497	87	410
Beets.....	5,721	1,130	4,716	1,032	265	767
Carrots.....	1,685	452	2,549	443	201	242
Corn.....	25,020	3,738	21,386	3,648	457	3,191
Peas.....	19,229	3,517	15,857	3,235	551	2,684
Pumpkin and squash ^b	1,211	440	1,417	424	94	330
Sauerkraut.....	3,274	810	4,398	661	85	376
Spinach.....	2,144	621	2,279	612	122	490
Tomatoes.....	13,348	3,135	12,650	3,033	587	2,446
Tomato catsup and chili sauce.....	22,147	2,270	25,945	2,314	399	1,915
Tomato paste ^c	3,910	648	3,614	663	107	556
Tomato puree (pulp) ^c	1,240	491	1,215	533	297	236
Tomato sauce ^c	7,010	693	6,406	749	32	717
Fruits:						
Apples ^d	2,947	399	2,419	537	346	191
Applesauce.....	12,290	1,228	12,693	1,515	250	1,265
Apricots ^e	1,997	748	3,693	713	178	535
Cherries, RSP.....	2,014	435	1,062	424	156	208
Cherries, sweet ^e	435	229	317	202	42	100
Fruit cocktail ^e	8,252	1,599	9,303	1,505	212	1,293
Grapefruit segments ^e	2,483	357	1,512	358
Peaches ^e	15,702	3,777	17,193	3,523	609	2,914
Pears ^e	6,532	1,212	6,221	1,305	282	923
Pineapple.....	8,628	1,930	9,537	1,790	321	1,469
Plums ^e , f.....	960	318	261	208	76	132
Juices:						
Citrus blends ^g	824	327	432	340	n.a.	n.a.
Grapefruit ^g	1,757	630	1,106	705	n.a.	n.a.
Orange ^g	5,634	793	4,389	793	n.a.	n.a.
Pineapple.....	7,794	1,061	6,419	1,302	n.a.	n.a.
Tomato.....	23,082	2,172	21,993	2,261	n.a.	n.a.
Fish:						
Maine sardines ^h	843	235	1,029	233	n.a.	n.a.

n.a.—not available. *Canners' stock as of Feb. 1. †Canners' stock as of Dec. 1. ‡Canners' stocks cover Calif. only. §Canners' stocks basis 6/10. ¶Canners' stock basis 24/2½. ††Canners' stocks cover purple plums only. ‡‡Canners' stocks cover Florida only. §§Canners' stocks basis 100/3¼-oz. cans.

Canners' Stocks of Canned Foods Feb. 1 and Season Shipments

(N.C.A. Division of Statistics)

	Carry-over month	Case basis	Supply		Canners' Stocks, Feb. 1		Season Shipments to Feb. 1	
			1959-60	1960-61	1960	1961	1960	1961
			(thousands of cases)					
Apples.....	Sept.	6/10	4,766	4,055	2,969	2,361	1,796	1,694
Applesauce.....	Sept.	actual	18,878	19,345	11,250	11,713	7,629	7,633
RSP cherries.....	July	actual	4,326	2,555	1,671	827	2,655	1,728
Lima beans.....	Aug.	actual	3,562	3,851	1,544	1,817	2,018	2,034

USDA Plentiful Foods List

The USDA Plentiful Foods List for March includes canned ripe olives, cranberry products, dried beans, potatoes, cabbage, onions, rice, California dates, eggs, milk and dairy products, and peanuts and peanut products. USDA and the California Olive Board are jointly sponsoring a special promotion February 15 to April 2.

Illinois Canners Association

H. E. Larkin of the Rochelle Asparagus Company, Rochelle, was elected president of the Illinois Canners Association at the annual business meeting.

R. J. Herdman, Green Giant Company, was elected vice president. W. D. Jones, Streator, was continued in office as secretary.

Citrus Fruit Production and Utilization

The 1960-61 crop of oranges is forecast at 120 million boxes, on the basis of February 1 conditions, according to the Crop Reporting Board of USDA. Such a production would be 5 percent less than last year and 1 percent below average. Production is expected to be below last year in Florida, California, and Arizona.

Production of grapefruit is forecast at 41.6 million boxes, the same as last year but 2 percent below average. Only Texas expects more grapefruit than last year. The total Florida crop is smaller than in 1959-60 although the production of the pink seedless variety is estimated to be up 12 percent.

The lemon crop is estimated at 15.1 million boxes, 17 percent below last year and 5 percent above average.

Production of Florida tangerines is estimated at 4.7 million boxes, 68 percent above the 1959-60 crop and 4 percent above average.

UTILIZATION

As of February 1 one-third of the U.S. crop of oranges had been harvested. Picking is later than last year when 38 percent of the crop had been harvested by that date. Utilization to February 1 totaled 89.9 million boxes of which 26.5 million had gone to processors and 13.4 million to fresh market. A year ago to the same date processors had taken 29.9 million boxes and 17.9 million had gone for fresh use.

Harvest of grapefruit also is running considerably behind a year ago, with 36 percent of the 1960-61 crop harvested by February 1 compared with 47 percent a year ago. Utilization to February 1 amounted to 14.9 million boxes of which processors had taken 5.6 million boxes and 9.3 million boxes had gone for fresh use. The figures a year ago were 8.2 million boxes for processors and 11.3 million for fresh market.

1960 Pack of Canned Pears

(N.C.A. Division of Statistics)

State	REVISED	
	1959	1960
(actual cases)		
Northwest.....	4,047,489	4,149,451
California.....	6,427,225	5,831,063
Other states.....	713,236	690,938
U. S. Total.....	11,787,950	10,671,452

On the basis of standard cases of 24/2½, the 1960 pack amounted to 8,505,571 cases compared with the 1959 pack of 9,498,977 cases.

Canning Crops Contest Launched with Publicity

The first of a series of 1961 news bulletins on the annual Canning Crops Contest was issued on February 8, jointly signed by Dr. Edwin A. Crosby, Assistant Director of the N.C.A. Raw Products Research Bureau, and Mrs. Jean Schoonover of Dudley-Anderson-Yutzy, N.C.A. public relations counsel, which is handling publicity for the Contest under the Consumer and Trade Relations Program.

The bulletin announced the start of the 7th Canning Crops Contest. Included in the mailing was a copy of the booklet *What Makes A Champ*, which gives the basic ground rules for the contest for all categories—contestants, canners' fieldmen, vo-ag teachers, and state secretaries.

It announced a new registration system whereby each boy and girl participant fills in a double postcard of information covering records needed by the National Junior Vegetable Growers Association on the one hand and the state and regional canners associations and N.C.A. on the other.

Also, Dr. Crosby issued a letter to executive officers of the state associations, explaining the enrollment procedures and recordkeeping, and other details for keeping the contest moving at the state and regional level.

At the same time the February *N.J.V.G.A. Newsletter*, which is circulated to all interested parties including vo-ag teachers, devotes several columns to details of the contest.

The Raw Products Research Bureau is the principal N.C.A. department for promotion and management of the Canning Crops Contest, and the C&T.R. Program will use some of its funds and manpower to give the Contest publicity and to realize the public relations benefits to the industry.

Special efforts are being made in both these departments of N.C.A. to improve communications between and among all factors involved, and there will be concentration on the associations and firms that have shown real activity during the previous annual contests. At the past annual N.J.V.G.A. convention, 22 regional, state and national winners from 10 states were on hand.

Enrollment cards will be distributed on or before February 15, but the literature going out this week is encouraging fieldmen, state secretaries, vo-ag teachers, N.J.V.G.A. representatives to start working up participation in the 1961 Contest in advance of the arrival of the cards.

Court Holds New Statute Inapplicable to Old FTC Orders

On July 23, 1959, Congress enacted an amendment to the enforcement provisions which apply to the Robinson-Patman Act and other sections of the Clayton Act by imposing penalties of up to \$5,000 a day for violation of Federal Trade Commission cease-and-desist orders that may become final without court action (see the *INFORMATION LETTER* of August 8, 1959).

Prior to this amendment, if the Commission found that a seller had violated the Robinson-Patman Act, it ordered him to cease and desist. If he failed to obey, the Commission was obliged to go to court, prove that he violated its order, and get a court injunction in support of the Commission order. Not until the seller violated this court injunction could penalties be imposed.

Under the Congressional amendment in 1959, however, all Commission cease-and-desist orders become final if not appealed to the courts within 60 days. A violation of the order is now punishable by a \$5,000 civil penalty, with each day of a continuing violation constituting a separate offense.

Shortly after enactment of the amendment some question arose with regard to its effect upon cease-and-desist orders issued prior to the effective date of the amendment. Congress had included no specific reference to orders issued before July 23, 1959, for which court proceedings for enforcement or review had not been initiated before the date of enactment, and it might have been argued that the new enforcement procedures applied to all cease-and-desist orders, no matter when they were issued.

The Federal Trade Commission in a press release of July 28, 1959, attempted to clear up this uncertainty by announcing that persons subject to outstanding cease-and-desist orders

would have 60 days from July 23, 1959, within which to petition for court review, and in the event court proceedings were not instituted such orders would become final and subject to the provisions of the amendment. The resulting ambiguity was discussed by Association counsel at the 1960 Convention (see *INFORMATION LETTER* of January 30, 1960, page 35).

Several parties subject to old cease-and-desist orders immediately instituted court actions challenging the Commission's interpretation of the amendment. The Federal Court of Appeals for the District of Columbia on February 9, 1961, ruled in favor of those opposing the Commission's interpretation, and held that the enactment of July 23, 1959, does not apply to cease-and-desist orders entered before that date.

The Court held that the enforcement of cease-and-desist orders, whether or not entered by consent, is governed by the provisions of the statute as they existed at the time the order was entered. Enforcement of old orders will thus continue to be governed by the statutory provisions under which penalties cannot be imposed until a party has violated a court injunction.

Hugh K. Funderburg

Hugh K. Funderburg, who was associated with the Rock Valley Canning Co., Belvidere, Ill., for many years, died February 12.

Mr. Funderburg took an active part in N.C.A. affairs, having served as chairman of the Corn Section in 1933 and on various committees. He was a member of the Board of Directors, 1942-45, and a member of the Finance Committee and Administrative Council through 1949.

TABLE OF CONTENTS

	PAGE		PAGE
Congress		Research	
Bills introduced to extend date on food additives	103	USDA vegetable committee seeks more basic research	103
Legislative proposals in the 87th Congress	104	USDA research group urges improved harvesting methods	103
Death		Statistics	
Hugh K. Funderburg	106	Wholesale distributor stocks of canned foods	105
Personnel		Canners' stocks of canned foods Feb. 1 and season shipments	105
Illinois Canners Association	105	Citrus fruit production and utilization	105
Publicity		1960 pack of canned pears	105
USDA Plentiful Foods List	105	Trade Practices	
Canning Crops Contest launched with publicity	106	Court holds new statute inapplicable to old FTC orders	106